

ALISON HILLMAN

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SEDLSCOMBE PARISH COUNCIL

Internal Audit – 31st March 2015

Introduction:

1: In accordance with my Internal Audit Plan, Controls and Procedures have been tested, with Fraud and Risk Issues reviewed - these are well managed, in line with the Governance and Accountability for Local Councils Practitioners' Guide (GALCP) and meet the needs of the Council. I confirm that I do not have any role within the Council and will carry out my duties without bias. I would only comment by exception – the points listed below need further attention:

Audit:

2: End of Year Accounts 2014/2015 – The accounts are accurately presented and easy to understand. Income and Expenditure is properly recorded and the information produced is accurate and comprehensive. Regular bank reconciliations take place, are checked against the supporting documents and were found to be correct. Figures in the end of year return are supported by the accounts.

3: Standing Orders/Financial Regulations – Standing Orders were adopted in May 2014. Financial Regulations were adopted in October 2014.

4: Risk Assessment – Risk Assessment exercises of the Parish Council's assets and its financial controls are carried out regularly. Play equipment is checked weekly by Councillors and annually by an independent play inspector.

5: Insurance – The Parish Council's Insurance is with Aviva, Came and Co are the brokers and there is a three year agreement in place. Aviva specialise in Parish Council policies. Fidelity Insurance meets the Parish Council's requirements. A review of the asset list is recommended to show the location of the assets and how the values were calculated.

6: Budgetary Control – Annual reports are prepared in support of the precept, actual expenditure is compared with the budget and any significant variances are explained.

7: Income/precept – Income is properly recorded and banked. The precept recorded in the minutes dated 6th January 2015 (minute reference 150) agrees to the Council Tax authority's notification.

8: Petty Cash – There is a petty cash system for small items of expenditure. The Clerk has delegated powers to spend £20 a month. Petty cash statements are checked monthly by the Chair of the Finance Committee.

9: Staff Wages – The previous Clerk has retired and received her gratuity payment. The correct procedures have been followed. There is a clear minute and contract for the new Clerk. PAYE and NI is paid quarterly.

10. Internal Checks and Audits - The Parish Council carries out a review of internal checks and audits each year.

11: Agendas are sent out in time and are well presented. A light revision is required to include the Clerk's signature. Clerks sending agendas electronically are advised to ask each councillor to complete a consent form. A draft form is available on the SALC website. The timing of the Annual Meeting meets statutory requirements.

12: It is worth noting that the figures have been produced by the new Clerk in accordance with the requirements and all supporting documents have been produced for the Internal Auditor. The Clerk's co-operation aided considerably the work of this internal audit. Thank you.

Alison Hillman, MILCM
Internal Auditor
6th May 2015